Sask milk

Newsletter
September 2015

Know the Facts

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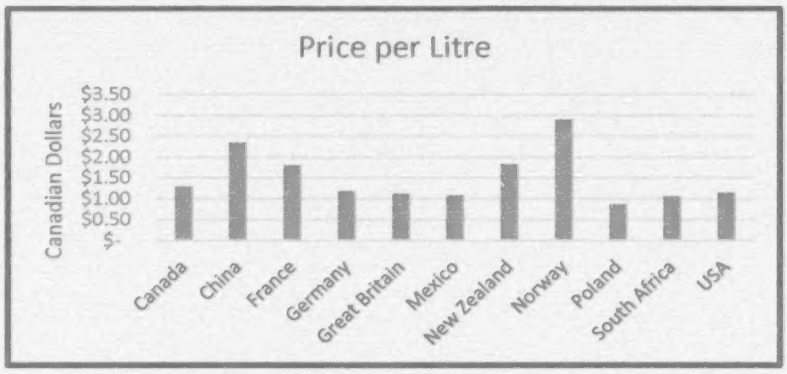
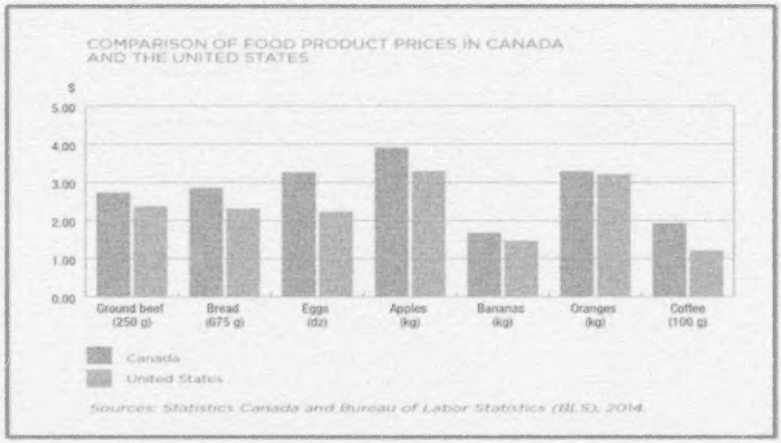
Myth: Supply management means consumers pay much higher prices for milk.

FACT: Canadian milk retail price is middle-of-the-pack when compared to a number of other countries.



If we are only to compare to the U.S., all food prices are higher in Canada (not just dairy).



Also, milk is one of the most inexpensive beverages in Canada by volume!

Research Report

I hope your harvest is going well and that you are able to acquire enough feed for the coming months.

There is not too much to report on the research front, everything seems to shut down at the university over the summer months.

The one thing that I am very happy to report is that the university has formally recognized New Holland and Moody's Equipment for their very generous equipment donation via an annual equipment lease. The farm lane that runs by the Rayner Centre will now formally be known as New Holland Lane. The annual lease contribution is worth approximately $100,000. This generous donation to the Rayner Centre and the dairy industry allows much more research to take place each year because it is saving the Rayner Centre operating budget $100,000 annually!

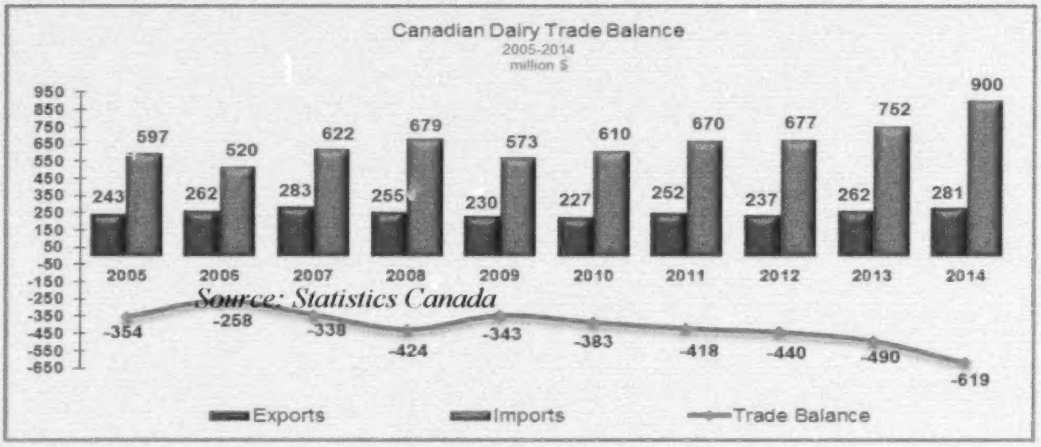
If any of you are near any of the Moody's stores, it would be great if you could stop in and say "thanks" to Tom Moody and New Holland for their very kind contribution.

-Jack Ford

Know the Facts

Myth: The Canadian dairy market is closed and other countries don't have access to our markets.

FACT: Canada imports hundreds of millions of dollars of dairy products every year. In fact, about 5% of dairy products on Canadian shelves are imported tariff-free!



FACT: Canada MUST import, tariff-free, 3,274 TONNES (or over 3 million kilograms!) of butter each and every year, 2,000 tonnes of which is dedicated to access for New Zealand!

FACT: Canada gives more access to imported products than many other countries give in any sector!

- Canada currently imports over 6% of the market for dairy products and more than 7.5% for poultry.
- We import more than some countries that are perceived as being more "free traders".
- In contrast, the United States gives only 2.75% access to their market for dairy products and Europe offers a mere 0.5% for poultry.
- The Canadian dairy industry imports ten times more cheese from the EU than it exports to the EU. Moreover, once the CETA deal is implemented, tariff-free imports of cheese will rise from 5% of all cheese consumed in Canada to 9%!

CQM REGISTRATION

By December 31, 2015 all farms must be registered on the CQM program.

Herds not registered by that date will incur an escalating penalty that will start the month of January 2016.

I am contacting all farms who have not yet had a CQM validation in order to arrange an approximate time to schedule their validation. Remember, you must have 3 months of records in order to have a validation so if you are not keeping records, START NOW! The requirements for a CQM validation are listed below.

CQM REGISTRATION

To apply for registration, producers should have three months of records.

What records do you need to do on a daily/regular basis?

- **Record 12 Bulk tank temperature log**- you should be recording the temperature of the bulk tank at the end of each milking
- **Record 10 Livestock treatment record**- all livestock treatments that have a milk or meat withdrawal must be recorded.
- **Record 13 Milking equipment sanitation record**- on at least a monthly basis you should be checking the sanitation of your bulk tank and milking equipment and recording the findings. The temperature of the rinse water should be checked and recorded weekly or the temperature of the wash water should be recorded monthly.
- **Record17 Deviations and corrective actions**- record the problem and what you did to correct it. This can be done on the record that the problem relates to or on Record 17 Deviation and Corrective Action record i.e. Bulk tank temperature problems can be recorded on Record 12 in the corrective action column or on Record 17

What do you need to do on an annual basis?

- Cleaning and sanitizing chart- filled out by your equipment dealer
- Annual wash system evaluation- filled out by your equipment dealer
- Water record – tested annually for E. coli and Total coliforms and kept on file.

What record do you need to do on an as needed basis?

- Broken needle record- you may never have a broken needle but you must be aware that should it ever occur you must have a record of the animal and the location of the needle and that record should go with the animal when it leaves the farm.

Producers are also required to have:

Standard Operating Procedures:

- Pre-milking
- Milking
- Milking cattle with abnormal or treated milk
- Post milking cleaning
- Treating cattle
- Shipping cattle
- Feeding medicated feed

Corrective Action Plans

- Corrective action plans outline the steps to take to correct a problem. Corrective Action plans should contain detailed instructions and contact numbers and the CQM program requires producers to write a Corrective Action plan for specific scenarios.

Information on all of this is in the CQM workbook and reference manual. If you have questions, need some help getting ready for your validation, or want to apply for CQM registration please contact Deb Haupstein deb.haupstein@saskmilk.ca 306-721-9486

CQM Milk Quality Bonus

For the month of August, CQM registered producers received a $0.50 per hectolitre milk quality bonus.
This means that a CQM registered farm shipping 100,000 litres/month would receive a CQM Milk Quality Bonus of $500.00!

QUOTA EXCHANGE

The market-clearing price established for the September 2015 Quota Exchange was **$29,000.00**

The next Quota Exchange will be held on **October 15, 2015**. All offers to sell and bids to purchase quota through the Quota Exchange must be received at the SaskMilk office by midnight, **October 6, 2015**. SaskMilk recommends that offers and bids be submitted well in advance of the deadline date to ensure adequate time for corrections, if necessary.

When making bids on the Quota Exchange, the price on offers to sell quota is the minimum price that the producer is prepared to accept for that quota. Only if the market-clearing price is equal to or greater than the producer's minimum price will that producer qualify for participation in the Exchange. Conversely, the price on offers to purchase quota is the maximum price that the producer is prepared to pay for that quota. Only if the market-clearing price is equal to or less than the producer's maximum price will that producer qualify for participation in the Exchange. The clearing price is set at the price where the smallest difference exists between the accumulated volume offered for sale and the accumulated volume bid to purchase. The results of the Quota Exchange are outlined in the following Table.

SEPTEMBER 2015 QUOTA EXCHANGE RESULTS SUMMARY

Market Clearing Price per kilogram of butterfat	**$ 29,000.00**
Daily Kilograms offered to Purchase	**74.00**
Kilograms offered to Sell	**44.84**
Kilograms sold	**27.50**
Number of Producers	
- offered to purchase	**4**
- purchased quota	**4**
- offered to sell	**6**
- sold quota	**4**

SEPTEMBER 2015 QUOTA EXCHANGE CLEARING PRICE RESULTS

Price ($/daily kg b.f.)	No. of Sellers	Cumulative Sellers	Daily Kgs b.f. offered for sale	Cumulative sales	Cumulative Sales less Cumulative purchases	Cumulative purchases	Daily Kgs b.f. offered to purchase	Cumulative bidders	No. of buyers
$29,000.00	**4**	**4**	**27.50**	**27.50**	**-46.50**	**74.00**	**74.00**	**4**	**4**
$29,500.00	1	5	10.00	37.50	37.50	0.00	0.00	0	0
$31,000.00	1	6	7.34	44.84	44.84	0.00	0.00	0	0

*** Please contact Bev Solie at 306-949-6999 for inquiries dealing with quota management sheets, the Quota Exchange, for transfer credits, or with any other quota transactions.**

TRANSFER CREDIT SUMMARY REPORT

MONTH	# OF PRODUCERS TRANSFER IN	# OF PRODUCERS TRANSFER OUT	TOTAL KGS BUTTERFAT
August	15	12	11,915
September	19	18	23,202
October	10	10	10,988
November	12	10	13,140
December	19	12	20,889
January, 2015	23	19	19,605
February	20	15	20,251
March	18	15	14,470
April	25	14	26,975
May	25	17	19,225
June	14	8	11,115
July	14	15	21,727
August	16	15	24,450

PRIVATE TRANSFERS PROCESSED

MONTH	DAILY KILOGRAMS
Sept	336.41
Oct	12.71
Nov	24.35
Dec	11.00
Jan-2015	0.00
Feb	959.00
Mar	17.00
Apr	72.79
May	8.00
June	50.00
July	984.94
Aug	234.82

OVER QUOTA (OVER 5 DAYS) REPORT BY MONTH

MONTH	# OF PRODUCERS	KGS BUTTERFAT
August	3	354
September	2	102
October	3	32
November	5	403
December	6	767
January, 2015	7	2,739
February	9	3,272
March	13	2,999
April	8	578
May	6	1,172
June	8	658
July	8	700
August	0	0

SUMMARY REPORT OF CREDITS August, 2015 – 160 PRODUCERS

DAYS	# OF PRODUCERS	POSITIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)
+ 5	6	3,178
0 to + 5	24	6,745
TOTAL	30	9,923
DAYS	**# OF PRODUCERS**	**NEGATIVE CREDITS ACCUMULATED (KGS OF BUTTERFAT)**
-15	17	-43,595
-10 to -15	23	-61,614
-5 to -10	41	-47,653
0 to -5	49	-24,643
TOTAL	130	-177,505

LOST OPPORTUNITY REPORT

MONTH	# OF PRODUCERS	LOST OPPORTUNITY (KGS OF BUTTERFAT)
August	17	7,315
September	16	3,722
October	16	8,971
November	13	3,774
December	19	6,444
January, 2015	18	7,440
February	11	3,569
March	8	3,596
April	8	3,561
May	8	4,908
June	12	5,221
July	11	8,975
August	16	9,691

WEIGHTED AVERAGE COMPONENT TESTS & PRICES August, 2015

Components	Average Test	Price per kilogram Class 1 to 5
Butterfat	3.9353	11.263422
Protein	3.2542	8.263422
Other Solids	5.7151	1.176318

Based on the average component tests for the province, the average price received was **$77.9386** per hectolitre. **The average butterfat price received per kilogram was $19.81**

SASKATCHEWAN MILK POOL RESULTS August 2015

Milk Sale Revenue	$ 15,070,527.32
Western Milk Pool	$ 1,080,746.09
Plant of Last Resort Service	$ (74,144.82)
Total Pool Value	**$ 16,077,128.59**

In August, Saskatchewan had a monthly CDC allocation of **814,385 kilograms** of butterfat. In the month of August, Saskatchewan production was **-2,614** of butterfat **under** and cumulatively **under** by **-66,457 kilograms** of butterfat. On a percentage basis, Saskatchewan is **-0.69%** within our CDC allocation flexibility limits based on the Continuous Quota model. The -1.50% lower flexibility limit is in effect.

	(1) Monthly Total Production Kgs bf	(2) Total Monthly CDC Quota Allocation Kgs bf	(3) Monthly Over or (Under) Production Kgs bf col. 1 – 2 = 3	(4) Lower Flexibility Limit **(1.5%)** Kgs bf col. 9 * -1.5%	(5) Upper Flexibility Limit **1.0%** Kgs bf col. 9 *1.0%	(6) Cumulative Over or (Under) Production with limits Kgs bf	(7) Cumulative Over or (Under) Production with limits in - % col. 6 / 9	(8) Over Quota or (Lost Production Opportunity) Kgs bf	(9) Rolling 12 Month Total Quota Kgs bf
Aug-14	755,864	775,617	(19,753)	(138,628)	46,209	**(86,128)**	**-0.93%**	0	9,241,841
Sept-14	757,014	785,984	(28,970)	(139,355)	46,452	**(115,663)**	**-1.24%**	0	9,290,311
Oct-14	784,475	837,039	(52,564)	(139,977)	46,659	**(139,977)**	**-1.50%**	(29,529)	9,331,833
Nov-14	777,547	806,726	(29,179)	(140,477)	46,826	**(140,477)**	**-1.50%**	(28,634)	9,365,141
Dec-14	811,818	846,968	(35,150)	(140,987)	46,996	**(140,987)**	**-1.50%**	(34,624)	9,399,124
Jan-15	826,269	806,291	19,978	(141,417)	47,139	**(120,978)**	**-1.28%**	0	9,427,790
Feb-15	759,351	747,742	11,609	(142,029)	47,343	**(111,877)**	**-1.18%**	0	9,468,575
Mar-15	832,187	817,238	14,949	(142,679)	47,560	**(94,301)**	**-0.99%**	0	9,511,947
Apr-15	804,566	801,582	2,984	(143,119)	47,706	**(88,060)**	**-0.92%**	0	9,541,277
May-15	827,966	812,326	15,640	(143,545)	47,848	**(72,924)**	**-0.76%**	0	9,569,698
Jun-15	797,815	792,050	5,765	(144,034)	48,011	**(67,014)**	**-0.70%**	0	9,602,300
Jul-15	810,653	800,163	10,490	(144,358)	48,119	**(55,723)**	**-0.58%**	0	9,623,869
Aug-15	811,771	814,385	(2,614)	(145,053)	48,351	**(66,457)**	**-0.69%**	0	9,670,195

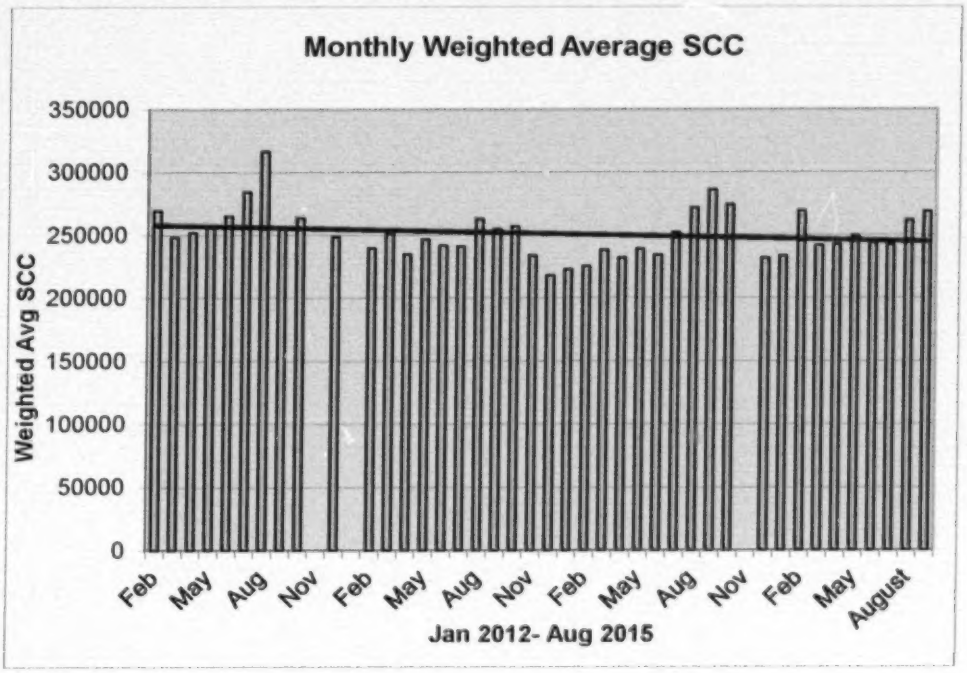
(1) Monthly Production in Saskatchewan
(2) Total Monthly Quota = Class 1 sales + Monthly MSQ + Carry Forward
(3) Difference between the monthly production (1) and the total monthly quota (2)
(4) The Lower Flexibility Limit is -1.5% of Rolling 12 Month Total Quota (9)
(5) The Upper Flexibility Limit is 1.0% of Rolling 12 Month Total Quota (9)
(6) Previous Month Cumulative Over or (Under) Production + Current Monthly Over or (Under) Production (capped at lower or upper limit if applicable)
(7) Equal to Column (6) expressed as a percentage basis within the flexibility limits
(8) Over Quota or (Lost production opportunity) outside of flexibility limits
(9) Total Monthly CDC Quota Allocation for the previous 12 months

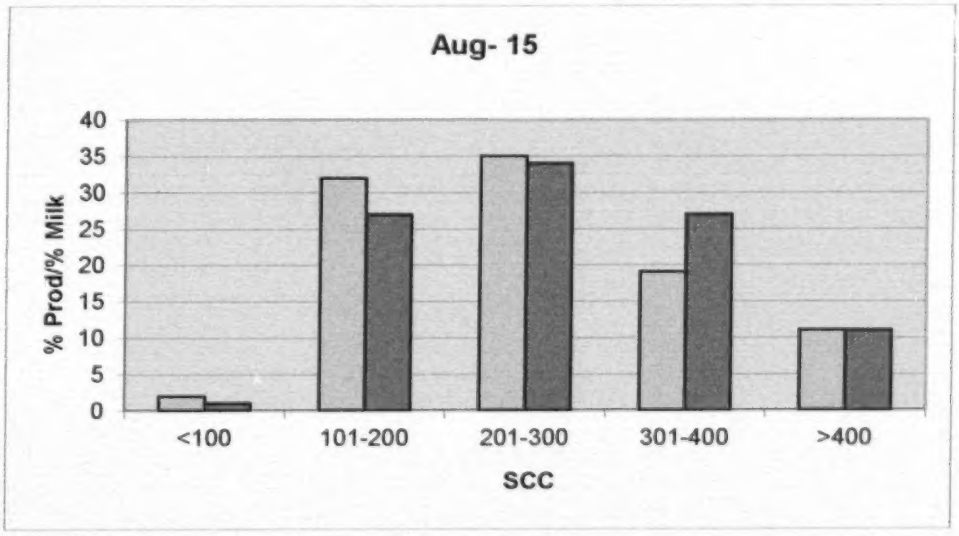
SCC LIMIT NOW 400,000

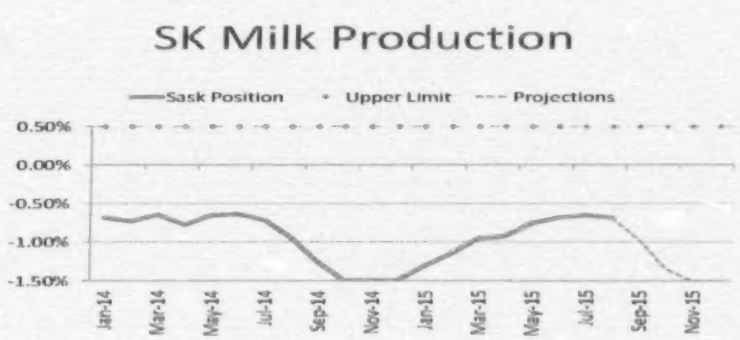
Effective January 1, 2013, the SCC limit has changed to 400,000. Penalties and violations will be applied based on the new limit.

The following graphs provide producers with an overview of the Provincial Somatic Cell Count weighted average on a monthly basis as well as a breakdown of the % of producers in each SCC level for the month of August 2015.

If you have any questions or comments you can contact: Deb Haupstein at 306-721-9486.







INHIBITOR TEST STATIONS

SaskMilk has established a number of inhibitor test stations around the province. Producers needing to check their bulk tanks for inhibitors can take a sample to the test station closest to their location.

Charm test strips are available to test for:
Beta-Lactams- the Charm 3 SL3 Beta Lactam test strip tests for amoxicillin, ampicillin, ceftiofur, cephapirin, cloxacillin, and penicillin G

Tetracyclines- the Charm Tetracycline test strip tests for chlortetracycline, oxytetracycline and tetracycline.

Sulfas- the Charm Sulfa test strip tests for sulfacetamide, sulfachlorpyridazine, sulfadiazine, sulfadimethoxine, sulfadoxine, sulfamethoxypyridazine, sulfamerazine, sulfamethazine, sulfamethoxazole, sulfamethoxazole, sulfamethoxypyridazine, sulfapyridine, sulfaquinoxaline, sulfathiazole, and sulfisoxazole.

Test stations are located at the following locations:

1. Swift Current, SK - Agrifoods truck bay - 675 Cheadle Street West
   Office 306-773-1097 or Rodger Ruf 306-741-3261
2. Harris, SK - Cairnside Farm – Wes Cairns 306-656-4807
3. Star City, SK - Star City Colony - Reuben Tschetter 306-921-9381
4. Grenfell, SK - Jim Ross 306-697-2232
5. Yorkton, SK - Ford Dairy Farms Inc. - Bud and Margaret Ford 306-782-7240
6. Saskatoon, SK – Agrifoods Truck Bay - east of the Saputo plant receiving bay
   lead hand - Jim or Clint 306-664-0202 after hours: 306-668-8135

Charm tests strips and Charm testers are now available for purchase through SaskMilk. Agrifoods is now carrying SNAP test kits for tetracyclines as well as beta lactams.

For further information you can contact: Deb Haupstein 306-721-9486

Code of Practice

3.2 Stockmanship Skills Related to Animal Health and Welfare

Management practices used on dairy farms are known to have a significant impact upon animal health, animal welfare, and milk quality. It is understood that certain best management practices (e.g., teat dipping to reduce somatic cell counts) are important for maintaining animal health. However, how well those best management practices are implemented is of equal importance.

Attributes identified that contribute to the effective implementation of best management practice include:

- positive attitude of producers and farm employees toward milking and the animals
- detail oriented (e.g., good record keeping, knowledge of individual animals) (42).

Human-animal interactions affect the productivity and welfare of dairy cattle (45). Not only is the technical competence of animal handlers important but also the way in which they interact with cattle. A negative belief about cows increases the likelihood of aversive handling, which results in a fearful animal. Fear leads to stress, reduced welfare, and reduced productivity (57).

Differences between the level of productivity and welfare of dairy cattle on farms may partially be explained by differences in how animals are handled:

- cattle with insufficient human contact will exhibit fear of humans
- gentle handling of young animals will habituate them to humans and reduce fearfulness in adulthood
- hitting, shouting, tail twisting, electric prods and kicking are aversive to cattle (58).

Aversive procedures may at times be necessary (e.g., injections). Animal handlers can avoid this leading to a learned fear of humans by ensuring that a sound foundation of positive contacts has been established (60).

Identifying what cattle perceive as positive interactions is more challenging. Brushing, patting, and speaking in a gentle voice may not be rewarding to cows unless these actions are associated with something cattle find inherently rewarding (e.g., food, head scratching) (59).

Fear of humans is an important factor affecting milk yield in cows (45). Making handlers aware of the negative effects of poor handling, along with providing them with the information and tools they need to do a good job, can increase job satisfaction and performance (61).

People that effectively use low-stress cattle-handling techniques will reduce the detrimental effects of handling stress on animal performance and health, due to fear (44).

RECOMMENDED BEST PRACTICES

a. have best management practices in place
b. ensure farm staff are trained in, and apply, best management practices
c. ensure cow health is monitored regularly

... 3.2 Continued

d. ensure that the interactions that calves and younger cattle have with people are rewarding rather than aversive
e. avoid behaviors that cattle find aversive (e.g., hitting, shouting, aggressive tail twisting, electric prods and kicking)
f. ensure animal handlers understand the behavioral principles of animal handling and understand how their attitudes and behavior impact dairy cattle welfare and productivity
g. ensure equipment, holding, and handling facilities are in place and in good working order
h. train animal handlers in low-stress cattle handling techniques.

Save the Date!

2015 Ag Excellence Conference ('Ag Ex')
Regina, November 25 – 27

Focused on business management in farming, Ag Ex's topics range from HR to succession planning to Big Data. The regular host of plenaries and workshops is mixed with some roundtable discussion, an industry showcase and plenty of networking.

Registration now Open!

Dairy Conference and AGM
Saskatoon Inn, November 30th and December 1st
Register Online at www.saskmilk.ca

If You Can't Ship It - Test It!

BSE surveillance is still important and every animal tested makes a difference.

Support your cattle industry by having your 4-D (dead, diseased, dying or downer) cattle tested for BSE.

For more information, call the Canadian Food Inspection Agency at 1-877-727-5273.

CFGA
Canadian Forage and Grassland Association
Association Canadienne pour les Plantes Fourragères
6th Annual CFGA Conference
November 17-19, 2015 · Sheraton Cavalier Hotel, Saskatoon, SK
Canadian Forage in the International Year of Soils
Capture the Intensity!
The 6th Annual CFGA conference will explore intensive forage management systems, their impact on soil health and how forages generate ecosystem goods and services for on-farm users, exporters and the Canadian public.
For information go to www.canadianfga.ca or send an email message to conference@canadianfga.ca

Notice of 2015 Fall Producer Meetings

Dates and Locations:

November 6th
Fort Qu'Appelle
Royal Canadian Legion
197 Company Avenue
Fort Qu'Appelle, SK

November 9th
Swift Current
F.O.E. Eagles
1910S Service Road West
Swift Current, SK

November 10th
Warman
Legends Centre
701 Centennial Blvd. N.
Warman, SK

Reminder!

The deadline date for Quota Transfer and the Quota Exchange is the 6th of each month

Your Quota Transfer Application must be received on or before the 6th of the month in order to be effective the 1st of the following month

Quota Exchange forms must be received in the SaskMilk office on or before the 6th of the month for that month's Exchange

If you have any questions please contact Bev Solie at #306-721-9488

QUOTA LISTING or CLASSIFIED AD SERVICE

SaskMilk offers a free quota listing service as part of its Newsletter. Anyone wishing to sell or purchase quota and/or cows or miscellaneous dairy equipment is welcome to contact the SaskMilk office at (306) 949-6999. All prices and negotiations will be independent of SaskMilk. **Please note that ads will be posted in two issues and will then be removed unless SaskMilk is notified otherwise.**

Classifieds

For Sale: Quota and Cows, or just Quota or Cows – **Call #306-697-3192**

Custom Creek Farms, Corman Park full service swathing & harvesting, self-propelled w/ 35' cut. Tubgrinding, land clearing, draglining & dry manure spreading **call Jesse (306) 321-2332**

Manitoba alfalfa/hay bales for sale. **Call Reimer #204-346-4573**

Rayner Dairy Research and Teaching Unit (U of S) **Career Opportunities** Two Animal Technician Positions:

- 1 full-time term position until mid-December. Contact Morgan Hobin at 306-370-3099 for more information.
- 1 full-time permanent position (No. 15492-T) – for more information, including the job description and to apply visit http://jobs.usask.ca/#Trades%20and%20Service

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